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**SONY**

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The Honorable William M. Thomas  
Chairman, Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of Sony Corporation of America and its 20,000 employees in the United States, I am writing in support of the American Jobs Creation Act of 2004, H.R. 4520. We urge quick passage of this important legislation that will bring the United States into compliance with its World Trade Organization obligations and at the same time encourage job creation and foreign investment in the United States.

In particular, we appreciate that changes to Section 163(j), the "earnings stripping" provisions, were eliminated from the legislation and that the domestic to worldwide manufacturing limitation, the "global haircut provision," contained in S. 1637 was not included as part of your U.S. manufacturing incentive. These two items are important, because they allow companies like Sony to continue to fund their investment in the United States with legitimate and cost effective financing and to benefit from the lower tax rate on our U.S. production activities.

In addition, as a U.S. subsidiary that also owns many foreign subsidiaries, we support the other aspects of your international tax legislation and believe those changes will both simplify and improve many of the complex international tax rules we must contend with today. Finally, as the owner of a major motion picture studio, we urge you to support the provision clarifying the income forecast method that is currently contained in S. 1637.

Again, we thank you for your hard work and dedication to this important tax legislation, and we look forward to working with you as the legislation moves forward. Please do not hesitate to contact me if I can be of assistance in your effort to see this legislation enacted.

Sincerely,

  
Karen L. Halby  
Senior Vice President  
Sony Corporation of America